

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6805**

**BILL NUMBER:** SB 319

**NOTE PREPARED:** Jan 4, 2010

**BILL AMENDED:**

**SUBJECT:** Health Care Choice.

**FIRST AUTHOR:** Sen. Schneider

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** This bill declares state sovereignty with respect to health care choice under the Constitution of the United States, federal law, and the Constitution of the State of Indiana.

The bill specifies requirements for health care providers and the Attorney General to ensure sovereignty.

**Effective Date:** July 1, 2010.

**Explanation of State Expenditures:** *Indiana State Department of Health (ISDH):* The bill would require health care providers to annually file an electronic or paper form with the ISDH attesting that the health care provider's business is wholly located in Indiana. Health care providers are defined as providers of: (1) medical care; (2) dental care; (3) mental health services and counseling; (4) treatment services or products, including manufacturers or distributors; (5) laboratory or diagnostic services or equipment, including manufacturers or distributors; (6) medicine; (7) materials and products; (8) hospital services; (9) long- or short-term health facility or institution services; (10) pharmaceuticals and pharmaceutical services, including manufacturers and distributors; and (11) private health insurance. The ISDH would need to develop or approve and distribute an electronic or paper form. The cost of collection of the forms would depend on the extent to which the ISDH could rely on electronic submission. The cost associated with developing the specified reporting system is not known at this time.

The bill would require the ISDH to develop or approve and distribute an electronic or paper form that informs a patient of the choice to opt out of having the patient's patient information included in a federal government or other data base. The form is to be provided to each patient of a health care provider to be signed and dated by the patient and maintained by the health care provider in the patient's record.

Development or approval of the form should be accomplished within the current level of resources available to the ISDH. The cost of the distribution of the forms would depend on the extent to which electronic formats are used and the number of paper copies that would be necessary.

The bill provides that all forms and records prescribed by the bill are subject to inspection or audit; it does not specify an audit authority.

It is not clear how the ability of an individual to opt out of participation in a federal government data base or other data bases would impact the ISDH Children and Hoosiers Immunization Registry Program (CHIRP) and other public health information data bases.

State-operated mental health facilities and the Indiana Veteran's Home would be impacted by the record keeping requirements in the bill. It is not clear if the record keeping requirements would impact the ISDH laboratories and state correctional facilities.

*Attorney General (AG):* The bill requires the Attorney General to provide for the legal defense of the provisions of the bill and for the legal defense of health care providers and residents of Indiana from actions of the federal government, agencies of the federal government, and other legal and regulatory actions. The bill also requires the AG to seek out and encourage other states and parties that may wish to participate in a common legal defense and action. The cost of this provision would depend on actions ultimately taken by the federal government.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** The record keeping requirements would apply to local government-owned hospitals and health facilities, and potentially to school corporations and clinics operated by local health departments.

**Explanation of Local Revenues:**

**State Agencies Affected:** ISDH; AG; FSSA; State-operated facilities; Indiana Veteran's Home; Department of Corrections.

**Local Agencies Affected:** Local government-owned hospitals and health care facilities; Local health departments; School corporations.

**Information Sources:**

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